

THE WESTERN HEMISPHERE

Mr. COVERDELL. Mr. President, before I left the Foreign Relations Committee very recently and going to the Finance Committee, I was chairman of the Subcommittee on the Western Hemisphere. I will address the Senate this morning with regard to those responsibilities and to our hemisphere. I will suggest that we must reinvigorate our partnerships in this hemisphere as we begin a new century. If we work to nurture the political and the economic relationships among the nations of the Western Hemisphere, I am convinced that the next century will be the century of the Americas—a time of unparalleled peace and prosperity.

The reason for my remarks, however, is that there are threats, serious threats, to the stability of the democracies in our hemisphere. We need to confront them together—neighbor helping neighbor.

There has been a great deal of discussion recently on deciding what event adequately defines the last century. Some would say victory over Hitler in World War II, or the fall of the Berlin Wall, the first man to walk on the Moon, or the invention of computers. You would make a good case for each one of these.

But I believe the history of the 20th century cannot be defined by one of these singularly remarkable achievements. The greatest development was not an event at all but a slow and steady march over time. For me, it was the spread of democracy around the world, a movement in which the United States played a leading role.

Consider the following: According to the Freedom House, of the 192 sovereign states in existence today, 119 are considered true democracies. In 1950, a date I referred to in the earlier debate, only 22 countries were democracies—22; today there are 119. This means that nearly 100 nations have made this incredible transition over this last half century. I witnessed much of this great transformation as Director of the U.S. Peace Corps under President Bush. Nowhere did I see more dramatic change than in our own backyard.

In 1981, 18 of the 33 nations in the hemisphere were under authoritarian rule. By the beginning of the 1990s, all but one—Cuba—had freely elected heads of state. It was the springtime of democracy.

In the new century ahead, we must nurture and protect this freedom around the world but with great attention on our own hemisphere. Our welfare is inextricably tied to that of our neighbors in the region. We share common geography, history, and culture. Together we possess unbound potential for regional economic prosperity.

To harness this potential, we must continue to extend political and economic freedom to the entire hemisphere. The stakes are very high. If we

are successful, I am confident the 21st century will be remembered, as I said, as the century of the Americas. But if we neglect our responsibilities, we could realistically witness a balkanization of Latin America and a stagnation in our own economy.

The task is daunting, and becoming more so by the day. Freedom in the hemisphere remains fragile and uncertain.

Under the Clinton administration, we have failed to respond to the new challenges facing the region—allowing emerging threats to fester in places such as Colombia, Haiti, and Panama. As a result, some of the hard-fought victories for freedom in Latin America are weakened and in jeopardy.

Let me take a minute or two to focus on three core components of health in the Western Hemisphere. I mentioned a moment ago that there are serious threats to these new democracies. I also mentioned there is enormous potential in the hemisphere.

If you took the whole Western Hemisphere combined, it is the largest consumer base in the world. There is enormous potential here. Most people do not realize that trade in this hemisphere today is already larger than all of our trade in Europe, almost double our trade with the European Union. Trade in this hemisphere is significantly larger than our trade with the Pacific rim. If you were to ask most Americans, they would undoubtedly say our greatest trading partner would be Europe. It is third. The Western Hemisphere is first; the Pacific rim is second; and a long way back is the European Union.

That tells me where we have to be highly focused in the context of the health of the hemisphere. As I said, in the early 1990s, we could look across this area and see all these new democracies. But as we look today, after about 9 years of this wonderful achievement, there are some pretty serious issues on which we need to be focused, and we are not.

You see, for democracy to be successful, it has to be more than just an election of a head of state. For democracy to be successful, it has to have a sound judiciary; in other words, a way for disputes to be resolved peacefully and civilly.

This is incredibly important to trade and to relations between the countries. I will give you an example. Who is going to make an investment in a country for which there is no appropriate judiciary to resolve differences? Not many because you have put it at too high a risk. Investment does not go to high risk; it runs from it. Investment goes to security; it seeks it. In too many of our new democracies, we have not focused on helping build an appropriate judiciary.

Law enforcement: In many of these new countries, law enforcement had

previously been the responsibility of the military. In Nicaragua, Honduras, many of these countries, in Guatemala, it was the military that established order. As we all know, that can be without due process. It can be orderly, but you better not cross it. You better not have a disagreement. In other words, you have a condition in which citizens or guests are not safe or could be threatened. Whenever that happens, you have a deterioration of economic mobility and stability. Investments move away from those kinds of situations, not to them.

Substantial progress has been made in each of the countries I mentioned to move to a civil form of law enforcement, but this is a daunting task. Look at Haiti today; with the investment that has been made, which is approaching \$3 billion, and an attempt by the United Nations to train a civil law enforcement—not a military, a civil law enforcement—it just does not exist. Do we really believe there is a judicial process that would allow an investor to come in and put a high-stake investment in the country and if there were a dispute of some form between the government and that country or between two parties or a native Haitian and a foreign investor that there would be a competent, capable way for that dispute to be resolved? No. Therefore, the investments don't flow. When the investments don't flow, you have a deteriorating economy. When you have a deteriorating economy, then you begin to destabilize everything you have talked about in terms of democracies. They begin to wobble; they can disappear.

Today we have a President of one of the more significant countries of Latin America, Peru, who is flouting the constitution. The constitution says a President, as in the United States, may be elected President for two terms. That is not enough for Fujimori; he wants three. Push the constitution to the side; push freedom of the press to the side; ignore the fundamentals of fair elections. Does that remind you of democracy? Does that suggest that the institutions of democracy—constitutional law, civil law enforcement, a fair and sound judiciary—are in order? You would be hard-pressed to answer that question yes.

Venezuela has a new popular President who has essentially moved everything to the side and who shaped the government in his own view. The question is still out there, but those are not very encouraging signs. They are worrisome. Where is that all going to lead? Does that make people who believe in constitutional law, civil authority, comforted? Answer: No, it does not. I want to come back to this point, but we must remember that about 13 percent of our oil energy today comes from Venezuela.

Colombia: Colombia is in the middle of a raging war. CNN has not found it.

There are more refugees in Colombia than there were in Kosovo. No one is speculating on the number of dead. It is 35,000 people. And an insurgency driven by narcotics—not ideology, narcotics—controls 30 to 40 percent of the country and is on the outskirts of Bogotá. We and this administration have been talking about this old traditional republic that has been a great ally, supplying over 5 percent of our energy, and we have yet to get the assistance through this Congress. We have sent Ambassador Pickering, we have sent General McCaffrey, legislators, myself and others. We know we have to help protect that democracy that sits in the middle of Venezuela and Ecuador and Peru and Panama, the entire Andean region.

This is a reflection of our inability—and it is not just this administration, as a people—to understand how important our own backyard is. We tend to get focused off someplace else. I am not saying those are not significant priorities, but for Heaven's sake, if it is at your back door, you better be paying attention. Bogotá is a 3-hour flight from Miami.

Talking about Mexico and the enormous problems they have had, I admire their leadership. They are struggling. But as President Zedillo said to me: There is no threat to the security of the Republic of Mexico that matches the corruption and the intrusion of narcotics. He is surrounded by it.

So we have Colombia, Mexico, then Texas, New Mexico, Arizona, then Georgia and New York and Chicago, right at the back door. You have to open the door.

In Paraguay—knock on wood—constitutional law was protected because it was an example of people in the hemisphere paying attention. The Vice President of the country was assassinated, and it looked as if constitutional law was gone. I have deep memories of this. The people of Paraguay overthrew a dictator, Stroessner. I was at the first inauguration of a freely elected President. If you had seen the faces of these people who had accomplished freedom, everybody ought to go through that. Everybody should have that opportunity. If you told me at the time that within a handful of years it would come to the point where their Vice President was assassinated, and it looked as if it was all going to collapse, I wouldn't have believed you, but it almost happened.

The institutions that make a democracy really be a democracy are not in place, and we have lost a lot of time—too much time. The nefarious, evil nature of narcotics has intruded the entire hemisphere—all of it—and it is marching. Its ultimate goal leaves nothing but ruins behind it. It corrupts the institutions of democratic principle, and it is doing it in country after country—in our own backyard.

We have been celebrating—and this is my third point—enormous trade opportunities. In the nineties, we have experienced it all across the country, across the hemisphere; it is staggering. It helps build a new middle class; it brings economic prosperity to people who have never enjoyed it. As an example, I can remember years ago, in Guatemala, about all that was being raised was corn and beans for self-sustenance. Now, they are truck gardening in fruits, with huge markets for them. Who do you see in the fields? You see 18- and 20-year-old young Guatemalans with a great job, and you know where that leads because we are from America. We know what happens. They start becoming independent. They stop relying on government. They start thinking for themselves. That needs to be nurtured.

The trade opportunities are boundless, but we have been knotted up; we have been unable to expand these trade agreements. What is happening? Did you read the newspapers yesterday? The European Union signed the treaty with Mexico, and Mexico is entering into treaties with Mercosur, the southern cone of South America, and we are tied up in a knot here. So we are inviting this huge economic base to become the customer of other regions of the world because we can't seem to get it together.

Now, I assume my time is nearing the end.

The PRESIDING OFFICER. The Senator has 7½ minutes remaining.

Mr. COVERDELL. My point is that a core component of new democracy in the world occurred right in our hemisphere. There was a marvelous achievement—to survive the institutions that make democracy work have to be put in place, and we have not done a good job on this. It has been sporadic, it is destabilizing, and we can see it. We have to only pick up a newspaper—Peru, Venezuela, Haiti, Colombia, and the list goes on.

No. 2, we have an enormous and powerful adversary in the narcotic cartels. They don't care about a single child anywhere, they don't care about any human life, and they do not care about any country. They are as evil a scourge as the world has ever seen. And they are fueling a criminal syndicate in the United States that is more powerful than anything with which we have ever dealt. Undoubtedly, somebody listening to this saw Godfather I and Godfather II—amateurs, rank amateurs compared to what we are dealing with. The economic opportunity is limitless, boundless, sitting right in our backyard, as I have said. Simply open a door. And we have let it get all frayed; we have not stayed attentive.

So, as I say, we can get focused in our own home if we can create, I call it a doctrine of the Americas, where all of us as neighbors demand certain stand-

ards, that they be upheld, and that constitutional law is a part of this hemisphere, that civil law enforcement is what we have grown to expect, and a fair judiciary must be in place. The Constitution cannot be just thrown across the desk and into a trash can. We all should be together demanding that kind of activity. If we will pay attention to this evil force and respond to it—not simply cover our eyes, but respond to it—we can keep it from doing enormous damage not only in the U.S. but across the hemisphere.

They are ruining governments. It will leave democracy in shambles. Mark my word. It must be confronted vigorously. It is a huge threat to our security. If we will pay attention to the trade opportunities and be vigorous about it, if we will do these three things, they will call this century the century of the Americas, and all of us will be rewarded tenfold in every country, and we will be an enormous force for world peace. Conversely, ignore all of these things and it will breed a problem and a trouble that will haunt us throughout the century.

I am for a century of the Americas. I get excited about it. I think we have to, as a nation, make a step forward; we have to be bold and we have to pay attention.

Mr. President, I yield back whatever time remains. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the Senator is recognized to speak for up to 60 minutes.

Mr. KENNEDY. I thank the Chair. I don't intend to take that amount of time.

PREScription DRUGS

Mr. KENNEDY. Mr. President, the Senate Finance Committee is today holding the second in a series of hearings on prescription drugs. It is the 14th hearing on Medicare reform and how we will deal with the challenges facing the Medicare system.

I had an opportunity to testify before the Finance Committee as did several of my colleagues. Both Republicans and Democrats are urging the Senate Finance Committee to take steps to provide important our senior citizens relief from the cost of prescription drugs. It is a national crisis. It affects seniors in New England, it affects seniors in the Southwest, it affects seniors all across this Nation. We have a responsibility to our seniors to address the issue this year. It would be inexcusable for us to have an adjournment